

# SAN JUAN COUNTY COLORADO

1557 GREENE STREET

P.O. BOX 466

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NOV 29 2011

November 22, 2011

Martin Hestmark  
USEPA REGION 8  
1595 Wynkoop St.  
Mail Code: 8EPR  
Denver, CO 80202-1129

Dear Mr. Hestmark:

Please be advised that the San Juan County Commissioners unanimously support Sunnyside Gold's proposal for a collaborative approach to improving the water quality of the upper Animas River. San Juan County would encourage your organization to participate in this collaborative effort and to bring any resources that may be available to the table.

San Juan County believes that this collaboration will allow us to achieve the water quality improvements that are needed in a more efficient and economic manner than by pursuing the designation of a superfund site for the Upper Gladstone area. Additionally, the collaborative model does not present any of the perceived negative connotations that a superfund designation may bring to the community.

The Commissioners fully recognize that if this collaborative process fails a superfund designation may be our only alternative for improved water quality. If you have any questions, please contact our County Administrator William Tookey at your convenience.

Sincerely,

Ernest F. Kuhlman, Chair  
San Juan County Commissioners

A RESOLUTION TO SUPPORT A COLLOBORATIVE PROCESS TO IMPROVE THE WATER QUALITY  
OF THE UPPER ANIMAS RIVER BASIN

WHEREAS, the Board of Commissioners of San Juan County, Colorado has supported responsible mining as a use by right in San Juan County; and

WHEREAS, the Board of Commissioners of San Juan County has supported the efforts of the Animas River Stakeholder Group to improve water quality within the upper basin of the Animas River; and

WHEREAS, Sunnyside Gold has contributed nearly \$15 Million Dollars to previous reclamation and remediation efforts to improve water quality; and

WHEREAS, Sunnyside Gold has offered to contribute \$6.5 Million Dollars towards a collaborative process to help to address the water quality problems of the Upper Animas River; and


WHEREAS, the Board of Commissioners of San Juan County believe that the collaborative process provides the most efficient and economic manner for addressing these water quality issues; and

WHEREAS, the Board of Commissioners of San Juan County believe that the collaborative process does not present any of the perceived negative connotations that a superfund designation may bring to the community.


NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of San Juan County fully supports the collaborative process as proposed by Sunnyside Gold; and


BE IT FURTHER RESOLVED by the Board of County Commissioners of San Juan County strongly encourages the Environmental Protection Agency, the Bureau of Land Management, the Colorado Department of Public Health and Environment, the Animas River Stakeholders Group, and neighboring property owners to fully participate in this Collaborative Process and to provide any and all available resources necessary to contribute to a successful resolution to these water quality issues.

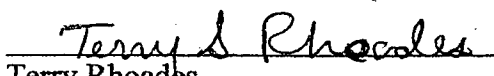
READ, PASSED AND ADOPTED this 22<sup>nd</sup> day of November, 2011 by the Board of County Commissioners of San Juan County, Colorado.

  
Ernest Kuhlman, Chairman

Attest:

  
Peter McKay

  
Ladonna Jaramillo, Clerk and Recorder

  
Terry Rhoades



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

1595 Wynkoop Street  
DENVER, CO 80202-1129  
Phone 800-227-8917  
<http://www.epa.gov/region08>

DEC 23 2011

Ref: EPR-SA

Ernest F. Kuhlman, Chair  
San Juan County Commissioners  
1557 Green Street  
P.O. Box 466  
Silverton, CO 81433

RE: Upper Cement Creek, Silverton, Colorado

Dear Commissioner Kuhlman:

Thank you for your November 22, 2011, letter to Martin Hestmark regarding Upper Cement Creek and the National Priorities List.

Your letter identifies concerns that are commonly raised by communities when the United States Environmental Protection Agency (EPA) is evaluating an area for the National Priorities List (NPL). Let me assure you that the EPA has not made a decision concerning listing of the Upper Cement Creek area. The decision to propose a site for the NPL can only be made after a technical evaluation is completed to determine if the site is NPL eligible. The EPA is just completing this technical evaluation. In addition, both the State and the EPA seek community support prior to a site being proposed for listing and the EPA wants the community to understand why we are looking at this option.

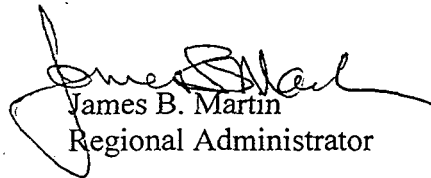
More than 15 years ago, the EPA committed to a community-based environmental protection effort in San Juan County, and indicated that Superfund would not be used as long as progress was being made in improving water quality in the Animas River. Unfortunately, water quality has significantly degraded in the Animas River in the last five years. It is evident that historic mine waste in Cement Creek, a tributary of the Animas River, is having a negative impact on the Animas. These impacts are likely related to cessation of water treatment in Gladstone and plugging of the American Tunnel. EPA has compared the last five years of data to earlier data sets that indicated improvements in water quality. The Animas River Stakeholder Group (ARSG) has summarized some of these data and the EPA is also evaluating these data. If experience in other mining impacted areas is any guide, the resources required for solutions to this sort of problem will be substantial and long-term operation and maintenance of the solution or solutions may be required.

The EPA is working with other federal agencies, the State, and local community members and would like to work with you to identify options to reverse the degradation and improve water quality in the Animas River. It is too soon to make conclusions about how best to correct this condition. However, if the best solutions require substantial and long-term

resources, CERCLA process and the NPL may be the only means to assure that full resources available to the EPA can be committed. EPA is also limited in its ability to fund interim actions and long-term projects that require ongoing operations and maintenance.

The EPA looks forward to continuing the dialogue with you and other local elected officials and the community regarding possible options to address water quality issues in Upper Cement Creek. If you would like to discuss this further, please contact me or your staff may contact Martin Hestmark, Deputy Assistant Regional Administrator for the Office of Ecosystems Protection and Remediation at 303-312-6776 or [hestmark.martin@epa.gov](mailto:hestmark.martin@epa.gov).

Sincerely,

  
James B. Martin  
Regional Administrator

